

EXHIBIT “B”

CLOSNER CONSTRUCTION CO., L.L.C.
TREATMENT OF CLASSES AND CLAIMS

CLASS 1

Administrative Expense Claim of the Texas Workforce Commission

\$20,668.35

Secured Claim of the Texas Workforce Commission

\$73,707.47

CLASS 2

Texas Comptroller of Public Accounts Secured Claim for Franchise Taxes

\$54,459.11

Class 1 and Class 2 will be paid on the later of the Effective Date or the date on which each of said claims becomes an Allowed Secured and/or Priority Tax Claims, then each of these creditors shall receive on account of such Allowed Secured and/or Priority Tax Claims, in accordance with section 1129(a)(9)(C) of the Bankruptcy code, regular installment payments in cash: (a) of the total value, as of the Effective Date, equal to the Allowed amount of such Claims; (b) which total value shall include interest to accrue on any outstanding balance of such Allowed Secured and/or Priority Tax Claims starting on the Effective Date at the rate of interest determined under applicable non-bankruptcy law pursuant to Section 511 of the Bankruptcy Code; and (c) over a period ending not later than 5 years after the Petition Date. The current rate of interest on delinquent Texas taxes is 4.25% in accordance with Tex. Tax Code Section 111.060.

Setoff Notwithstanding anything to the contrary in the Plan or the Confirmation Order, the confirmation of the plan does not affect any setoff rights of either the class 1 or the Class 2 Creditor, and such rights, if any, and any defenses the Debtor may have thereto, are expressly preserved pursuant to section 533 of the Bankruptcy Code.

Installment Payments Any installments payments made to the Class 1 and Class 2 Creditors pursuant to Section 1129(a)(9)(C) of the Bankruptcy Code shall be in equal monthly Cash payments with interest beginning on the first day of the calendar month immediately following the Effective Date, or the date of which said claims Secured and/or Priority Tax Claims become Allowed Secured and/or Priority Tax Claims, whichever is later, and subsequently on the first day of each month thereafter, over a period ending not later than 5 years after the Petition Date.

Objection Deadline Any and all objections to the claims of the Class 1 and Class 2 Creditors shall be served and filed not later than the Effective Date. Absent a timely filed objection, the Claims of the class 1 and Class 2 Creditors shall be deemed allowed on the Effective Date.

BEGINNING PROJECTED MONTHLY PAYMENT OF CLASS 1 UNDER THE PLAN:

\$2,101.40

BEGINNING PROJECTED MONTHLY PAYMENT OF CLASS 2 UNDER THE PLAN:

\$1,214.60

Each of these Classes is impaired and has the right to vote on the Plan

**CLASS 3
Secured Claims of Compass Bank**

<u>Secured</u>	<u>Claim</u>
Compass Bank	\$9,512.54
Compass Bank	\$138,671.46

The total of the claims in this class is \$148,184.00. These claims will be paid in over 8 years, at 6% interest beginning in the third month following the Effective Date, and will participate pro-rata in a monthly payment of **\$1947.35**.

Monthly plan payment amount for this class: **\$1947.35.**

The class is impaired and has the right to vote on the Plan.

**CLASS 4
Secured Claims of Texas Community Bank**

Texas Community Bank	\$211,431.84
Texas Community Bank	\$4,276.99

The Bank is in the process of foreclosing on 44 acres of land owned by third party in Rio Grande City, Texas. The equity in this property should be sufficient to satisfy this indebtedness. If there is a deficiency, then the Company will pay same in full over 8 years, at 6% interest beginning in the third month following the Effective Date.

The class is impaired and has the right to vote on the Plan.

**CLASS 4
Secured Claims of Vehicle Financiers**

Chrysler Financial	\$1,500.00
JPMorgan Chase	\$495.42
JPMorgan Chase	\$540.35
JPMorgan Chase	\$645.39

This class will be paid in full in the third month following the Effective Date.

The class is impaired and has the right to vote on the Plan.

**CLASS 6
Secured Claims Held by IRS**

Internal Revenue Service	\$381,794.03
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This class will be paid in full over 7 years, with interest at 4%. The monthly payment of this class will begin in the third month following the Effective Date. The monthly payment amount for this class is **\$5,218.00**.

Monthly plan payment amount for this class: **\$5,218.00**

The class is impaired and has the right to vote on the Plan.

**CLASS 7
Secured Claims Held by Taxing Authorities for Ad Valorem Taxes**

Laredo Community College	\$2,161.27
UISD	\$16,651.81
Cameron County	\$4,669.37

City of La Feria \$1,944.74

The total of the claims in this class is \$25,427.19. These claims will be paid, beginning in the third month following the Effective Date, in full in 30 months following the Effective Date with interest at 12% per annum, or sooner as the properties to which the liens have attached are sold. The monthly payment of this class is **\$985.26** with the claims participating pro-rata in this payment. The monthly payment will be reduced pro-rata as claims are paid through sales proceeds.

Monthly plan payment amount for this class: **\$985.26.**

This class is impaired and has the right to vote on the Plan

CLASS 8
Priority Unsecured Claim of the IRS

Internal Revenue Service \$550,547.59

This class will be paid in full over five years with interest at 4% per annum. The initial monthly payment for this class will begin in the third month following the Effective Date. The monthly payment amount is **\$10,139.17**.

Monthly plan payment amount for this class: **\$10,139.17**

This class is impaired and has the right to vote on the Plan

CLASS 9
Partially Unsecured Claim of Peoples United Equipment

Peoples United Equipment \$425,546.16

The creditor is in the process of liquidating equipment and foreclosing on real estate pledged by a third party to secure this indebtedness. If the equity in the collateral leaves a deficiency, then the Company will pay same in full over 8 years, at 6% interest beginning in the third month following the Effective Date. The amount of the monthly payment to be determined when the deficiency is determined.

The class is impaired and has the right to vote on the Plan.

CLASS 10
General Unsecured Claims (Convenience class claims under \$1,000)

Argus Security System	\$156.40
Alfonso Martinez	\$860.00
Blue Top	\$793.76
Carrillo & Associates, Inc.	\$550.00
Certified Laboratories	\$912.36
CPL Retail Energy	\$461.77
Cricket Wireless	\$62.70
De Lage Landen Financial Services	\$500.00
Doctors Hospital	\$588.60
Economy Tires & Wheels	\$432.89
El Chore Pit	\$120.00
Francisco Saldana	\$965.00
Fedex Tech Connect INC	\$412.86
Guinte Pools	\$324.76
HEB Checks services	\$866.53
Intergrative Performance	\$866.00
J III Concrete	\$487.13
J De la O Electric	\$465.60
Just Energy	\$193.10
Laredo Alarm Systems	\$211.09
Laredo Builders Association	\$275.00
Lone Star Shredding	\$234.00

McAfee Agency	\$176.83
MDC Recovery Service	\$500.00
Mt. Hawley Insurance Company	\$500.00
Medina Electric	\$257.28
Mercedes Auto Service	\$43.50
Rio Grande Adule	\$38.61
Startex Gasoline	\$891.00
TD Auto Finance	\$697.81
Terracon	\$770.00
Valley Day and Night Clinic	\$843.00
Verizon Wireless	\$751.03

The total of the claims in this class is \$16,208.61. These claims will be paid in full in the second month following the Effective Date.

This Class is impaired and is entitled to vote on the Plan.

**CLASS 11
GENERAL UNSECURED**

A Clean Portoco	\$3,075.00
Alamo Concrete Products	\$66,597.49
Apollo Metals, Inc.	\$4,505.70
Aqua Specialty	\$2,212.58
Aqua Specialty	\$26,637.85
Arguindegui Oil Co.	\$3,620.29
AT & T	\$3,788.89

AT & T Mobility	\$5,630.51
Barton East & Caldwell	\$5,000.00
Betts Oil	\$3,995.00
Brothers Material	\$3,859.70
Carranco & Lawson PC	\$13,450.00
Certegy Payment Recovery	\$2,206.98
Chemical Lime Company	\$1,245.27
Citifinacial Auto	\$1,100.00
Contractor Specialties	\$1,615.00
Datamatic LTD	\$69,199.75
Dell Financial	\$1,168.44
Delta Special Services	\$1,147.00
Earth Co.	\$23,378.00
Emmsa Co.	\$122,999.64
Emmsa CO.	\$49,435.23
FLG Smart Solutions	\$1,613.24
Flores & Torres	\$2,207.00
French Ellison	\$5,946.46
Funes Dump Services	\$1,375.00
Gomez Trucking	\$76,974.37
Griffin Dewatering Southwest LLC	\$5,586.15
Hanes Geo Components	\$15,112.30

Hanson Pipe Line	\$9,132.88
HD Supply Waterworks, LTD	\$47,409.89
Hollon Oil Company	\$2,416.00
Holt Texas, LTD /Holt Cat	\$62,023.49
Homer's Concrete	\$1,150.00
Howland Engineering and Surveying	\$12,926.00
IMC Improved Construction Methods	\$8,969.64
Industrial Manufacturing Precision	\$915.00
Internal Revenue Service	\$121,569.54
ITT Water	\$13,044.00
Jose M. Guajardo	\$3,130.00
Laredo Fence Materials	\$4,125.00
Lone Star Steel and Supply	\$1,487.69
Michael R. Salinas	\$12,318.42
Millennium Engineers Group	\$3,112.84
Mobil Mini Inc.	\$1,597.47
Munoz Foundation Drilling	\$1,930.00
North Alamo Water Supply	\$806.94
Odessa Pumps & Equipment	\$16,898.97
Orozcos Inc.	\$2,165.00
Pharr Frontera Paving	\$20,517.50
Phoenix Lease Control	\$1,683.69

Progreso Materials	\$25,000.00
Rio Blanco Trust	\$6,353.20
Rio Grande Gas	\$4,791.82
Rio Grande Steel	\$7,605.44
River Rock Ready Mix	\$1,867.00
Rock Tech Sand and Gravel	\$4,150.00
Rojas Heavy Equipment	\$4,150.00
South Laredo Ready Mix	\$16,229.50
Southwestern Bell Telephone	\$7,876.53
System Controls	\$32,350.00
Tejas Renal Agreement	\$4,987.96
Terra Firma Material	\$1,490.00
The Notzon Law Firm	\$3,050.00
United Rentals	\$1,691.28
Universal Trucking Inc	\$86,137.18
Valley Auto	\$1,000.00
Valley Day and Night Clinic	\$2,414.00
Valley Stiping Corp.	\$3,671.85
Verizon	\$1,072.01

The total of the claims in this class is \$1,089,870.04. They will be paid in full over ten years with interest accruing at 6% per annum. The initial payment of this class will begin in the third month following the Effective date. Claims will participate pro-rata in a monthly payment of **\$12,099.79**. Payments will begin in the third month following the Effective Date of the Plan.

Monthly plan payment amount for this class: **\$12,099.79**

These claims are impaired and have the right to vote on the Plan.

CLASS 12
Unsecured Claim by Affiliated Entity

Construction Depot, LC \$250,000.00

This is not a voting class

**TOTAL OF MONTHLY PLAN PAYMENTS BEGINNING IN THIRD MONTH
FOLLOWING EFFECTIVE DATE:** **\$33,705.36**

OMITTED CLAIMS

GENERAL UNSECURED CLAIMS REMOVED FROM TREATMENT OF CLAIMS

The following claims were originally listed in the Debtor's schedules as being due and payable by the Debtor. Debtor has determined through further investigation that the claims are not owed by the Debtor for the reasons stated below. The claims and the original amount of each claim are stated as follows:

Bramwell Investments LLC	\$10,913.36	Not a debt of Closner Construction possibly credit card debt of Jaime Closner
Cantu & Sons	\$20,483.82	Paid by bonding company. Creditor has signed a release.
Cleanserve	\$125,190.67	Disputed claim, is in lawsuit w Bonding company.
Eluid Saucedo	\$5,633.79	Claim paid prior to filing. Creditor has signed a release.
Ferguson Enterprises	\$51,513.50	Claim previously paid by third party Jimmy Closner.
FJ Delgollado	\$13,136.00	Claim previously paid by third party Jimmy Closner.Creditor has signed release.

Godwin Pumps of America	\$57,907.98	Paid by Jimmy Closner per tc w Alan Smith
Hanes Companies, Inc., f/d/b/a Lone Star Geo	\$23,668.86	This is a duplicate of claim by Hanes Geo Components, (\$15,112.30) filed as secure, when it is not, and adds \$5,000.00 in att fees when no judgment was awarded for this amount.
Jedi	\$8,500.00	Disputed Claim, for rental charges while rental property was not working, they charged us rentals while creditor was repairing equipment and we did not have use of it.
Jennifer Hollenberg	\$11,139.61	Claim for insurance premiums on policy that was suppose to have been canceled.
QRO Mex Contruction	\$28,275.00	Paid by third party, Jimmy Closner, creditor signed a release.
RCS Equipment Rental/Laredo	\$29,710.54	Not a debt of this Debtor. Equipment rented by other entity, Construction Depot.
Rodolfo Olivares	\$20,700.00	Not a creditor of this debtor.
Saldana Trucking Services	\$40,122.07	Paid by Jimmy Closner, Creditor signed a release.
The Law Office of Eduardo Jaime	\$20,000.00	Duplicate claim and overstated, \$10,000 awarded in judgment for Gomez trucking, not 20,000.00.
Valley Boring Services	\$13,540.00	Paid by Jimmy Closner, creditor signed release.
Valley Lubricants	\$4,500.00	Paid by Jimmy Closner, creditor signed release.

Vidaurri Caliche Pit	\$4,000.00	Paid by Jimmy Closner, creditor signed release.
Warren Drugen & Barrows	\$5,037.00	Duplicate of part of claim for Hanes Companies, Inc. Fees not awarded.